

**BYLAWS  
OF  
THETA EDUCATIONAL FOUNDATION OF SOUTHERN METHODIST UNIVERSITY**

**ARTICLE I. MEMBERSHIP**

- Section 1. The members of the facility corporation shall be limited to members in good standing (as defined in Section 5 of Article II of the Constitution of Kappa Alpha Theta Fraternity, Inc., an Indiana nonprofit corporation (the “Fraternity” or “Kappa Alpha Theta Fraternity”), and Section 1 of Article I of the Bylaws of Kappa Alpha Theta Fraternity) and shall include:
- a. The original incorporators of the facility corporation.
  - b. The members of the original board of directors of the facility corporation.
  - c. All alumnae (as defined in Section 1 of Article I of the Bylaws of Kappa Alpha Theta Fraternity) who were duly initiated or affiliated by Beta Sigma Chapter of Kappa Alpha Theta Fraternity and who have paid in full the facility fee required of such members of Beta Sigma Chapter.
  - d. All current members of Grand Council of Kappa Alpha Theta Fraternity.
  - e. College members of Beta Sigma Chapter who have paid their facility fees in full.
- Section 2. Each member is entitled to one vote at all general and special meetings of the facility corporation.

**ARTICLE II. BOARD OF DIRECTORS**

- Section 1. The property and business of the facility corporation shall be managed and controlled by, and its power and authority vested in, a board of directors. The board of directors shall consist of a minimum of seven (7) alumnae members of Kappa Alpha Theta Fraternity in good standing (as defined in Section 5 of Article II of the Fraternity’s Constitution and Section 1 of Article I of the Fraternity’s Bylaws), each of whom has been elected or appointed in accordance with the provisions of this Article II (a “Fraternity Member Alumna Director”). In order to serve as a Fraternity Member Alumna Director of the facility corporation, a person (a) must be an alumna member of Kappa Alpha Theta Fraternity in good standing but (b) is not required to be a member of the facility corporation or to be an alumna duly initiated or affiliated by Beta Sigma Chapter. In addition thereto, the board of directors shall include the then current Chapter chief executive officer, the then current Chapter chief financial officer, the facility manager director, the finance advisor, and the facility management advisor of the college chapter advisory board as board members with all of the rights and privileges of other board members.

- Section 2. Should the number of Fraternity Member Alumnae Directors fall below four (4), exceptions to the minimum requirement set forth in Section 1 of this Article II may be granted by the Fraternity Facility Consultant and the President of Kappa Alpha Theta Fraternity Housing Corporation, an Indiana nonprofit corporation (the “Fraternity Housing Corporation”).
- Section 3. The Fraternity Member Alumnae Directors shall be elected at the annual meeting of the members of the facility corporation and shall hold office for a term of three (3) years and until their respective successors are elected and qualified. The directors shall be elected in classes so that no more than one-third (1/3) of the directors may be elected each year. This limitation shall not apply in the event that directors must be appointed to serve out unexpired terms in accordance with Section 4 of this Article II.
- Section 4. The board of directors shall have the power to fill any vacancy on the board. A director appointed to fill a vacancy shall serve until the next annual meeting of the members of the facility corporation, at which time a director shall be elected to serve out the unexpired term.
- Section 5. The board of directors shall set the amount of rental, use fee, facility fee and the schedule of payments and late fee penalties to be paid by the Beta Sigma Chapter to the facility corporation.
- Section 6. The board of directors shall fix the facility fee amount to be paid by new members, initiated and affiliated, and shall determine the schedule for payment in accordance with Kappa Alpha Theta Fraternity guidelines.
- Section 7. a. The board of directors shall meet at the Beta Sigma facility at a time convenient for all of the directors for at least four (4) regular meetings, unless granted an exemption by the Fraternity Facility Consultant and the Fraternity Housing Corporation President.
- b. At least seven (7) days’ notice shall be given for all regular meetings.
- Section 8. At each meeting of the board of directors, 6 shall constitute a quorum.
- Section 9. Special meetings of the board of directors may be called by the President of the facility corporation or upon request of two (2) directors. At least five (5) days notice shall be given as to the time, place and purpose of such special meeting.
- Section 10. In addition to voting in person at a regular or special meeting of the board of directors, action taken by a mail or telephone (voice or facsimile) or electronic (e-mail) ballot of the members of the board of directors in which at least two-thirds (2/3) of the directors, in writing, including facsimile or e-mail, indicate themselves in agreement, shall constitute a valid action of the board of directors and shall be reported in the minutes of the next regular or special meeting of the board of directors.

Section 11. Action required or permitted to be taken at a board of directors' meeting may be taken without a meeting if the action is taken by all members of the board. The action must be evidenced by one or more written consents describing the action taken, be signed by each director, and be included in the minutes filed with the corporate records reflecting the action taken.

Action taken under this section is effective when the last director signs the consent unless the consent specifies a different effective date.

A consent signed under this section has the effect of a meeting vote and may be described as a vote in any document.

Section 12. No director of the facility corporation shall receive compensation for serving as director.

Section 13. Upon election, each director is responsible for reviewing the conflict of interest policy which is found in the Kappa Alpha Theta Officer Portal.

Section 14. Whistleblower policy: It is possible you may suspect another director of the facility corporation or an officer of the facility corporation has engaged in questionable conduct involving the Facility Corporation Board's assets. This conduct might include outright theft (of equipment or cash), fraudulent expense reports, misstatement of any accounts to any director or officer, or even a director's or an officer's conflict of interest that results in financial harm to the Facility Corporation Board. Kappa Alpha Theta Fraternity encourages you to report such questionable conduct and has established a system that allows you to do so anonymously (or just confidentially) and without fear of retaliation.

If you suspect conduct involving misuse of Facility Corporation Board assets, you may report it either confidentially or anonymously. In either case, you will be protected against any form of harassment, intimidation, discrimination or retaliation by the Facility Corporation Board for making such a report in good faith. You can make a confidential report to either your Fraternity Facility Consultant or the Fraternity Housing Corporation President. Their contact information is available on the Kappa Alpha Theta Fraternity website.

### ARTICLE III. OFFICERS

Section 1. The officers of the facility corporation shall consist of a president, a vice-president, a secretary, and a treasurer who shall be elected annually by the board of directors. In order to serve as an officer of the facility corporation, a person (a) must be an alumna member of Kappa Alpha Theta Fraternity in good standing (as defined in Section 5 of Article II of the Fraternity's Constitution and Section 1 of Article I of the Fraternity's Bylaws) but (b) is not required to be a member or a director of the facility corporation or to be an alumna duly initiated or affiliated by Beta Sigma Chapter. Each of the officers of the facility corporation shall hold office for a term of three (3) years and until her successor

is duly elected and qualified. Officers may be elected to succeed themselves; however, no officer shall be elected for more than two (2) consecutive terms.

Section 2. Facility corporation officers shall not receive payment for services rendered.

Section 3. An officer of the facility corporation may not include any alumna member with a daughter, step-daughter, granddaughter, sister, step-sister, niece or cousin currently in the college chapter or who is participating in membership recruitment.

Section 4. Each officer shall keep records of all materials pertaining to her office, which material shall be the property of the facility corporation, to be returned to the facility corporation at the conclusion of the officer's tenure or the international office of Kappa Alpha Theta Fraternity ("Fraternity Headquarters") if no successor is named.

Section 5. Upon election, each director is responsible for reviewing the conflict of interest policy which is found in the Kappa Alpha Theta Officer Portal.

Section 6. Whistleblower policy: It is possible you may suspect another officer of the facility corporation or a director of the facility corporation has engaged in questionable conduct involving the Facility Corporation Board's assets. This conduct might include outright theft (of equipment or cash), fraudulent expense reports, misstatement of any accounts to any officer or director or even an officer's or a director's conflict of interest that results in financial harm to the Facility Corporation Board. Kappa Alpha Theta Fraternity encourages you to report such questionable conduct and has established a system that allows you to do so anonymously (or just confidentially) and without fear of retaliation.

If you suspect conduct involving misuse of Facility Corporation Board assets, you may report it either confidentially or anonymously. In either case, you will be protected against any form of harassment, intimidation, discrimination or retaliation by the Facility Corporation Board for making such a report in good faith. You can make a confidential report to either your Fraternity Facility Consultant or the Fraternity Housing Corporation President. Their contact information is available on the Kappa Alpha Theta Fraternity website.

Section 7. The president shall:

- a. Preside at all meetings of the facility corporation and the board of directors.
- b. Sign all written contracts or documents executed on behalf of the facility corporation, as directed by the board of directors and limited by Fraternity Bylaws.
- c. Appoint all committees, subject to the approval of the board of directors.

- d. Sign the chapter – facility corporation lease or agreement for the following school year no later than December 1 of each year and shall ensure that it is signed by the college Chapter president and the advisory board chairman.
- e. Call the annual meeting of the facility corporation.
- f. Call the meetings of the board of directors.
- g. Chair the committee responsible for hiring the facility director. The committee shall include at least one advisory board member and two collegians, in addition to Fraternity Member Alumnae Directors.
- h. Sign any and all employment contracts with the facility director.
- i. Supervise and evaluate the facility director, with input from the Chapter Facility Manager;
- j. Perform such duties as may from time to time be required of her by the board of directors and any additional duties incumbent upon such office.

Section 8. The vice-president shall:

- a. Perform all the duties of the president in case of her absence or inability to act.
- b. Perform such duties as may from time to time be required of her by the board of directors and any additional duties incumbent upon such office.

Section 9. The secretary shall:

- a. Preserve and keep all records of the facility corporation.
- b. Hold the corporate seal in safe keeping (if the facility corporation is required to have a seal).
- c. Keep minutes of the meetings of the board of directors and of the annual and any special meetings of the members of the facility corporation.
- d. Send to Fraternity Headquarters one (1) copy of the minutes of the annual meeting of the members of the facility corporation immediately following the meeting.
- e. Send to Fraternity Headquarters one (1) copy of the minutes of any special meeting(s) of the members of the facility corporation immediately following such meeting(s).
- f. Send to Fraternity Headquarters immediately following the annual meeting of the board of directors one (1) copy of the list of officers elected

at such annual meeting, giving maiden and married names and addresses and phone numbers, with area codes.

- g. Give notices for meetings of the board of directors and for annual and special meetings of the members of the facility corporation.
- h. Send to Fraternity Headquarters by December 15 of each year, one (1) signed copy of the chapter – facility corporation lease or agreement.
- i. Send to Fraternity Headquarters one (1) copy of the annual inventory by July 31 of each year.
- j. Have in her possession a current list of the names and addresses of all members of the facility corporation.
- k. Sign, together with the president, all written contracts entered into or documents executed on behalf of the facility corporation as directed by the board of directors. (The corporate seal shall be affixed to appropriate documents required by law.)
- l. Send to Fraternity Headquarters one set of blueprints of new building, of addition(s), or major remodeling plans and specifications for permanent filing at Fraternity Headquarters. File a second set in the Beta Sigma Chapter's archives. Place a third copy in the facility corporation's safety deposit box.
- m. Send to Fraternity Headquarters a copy of the facility corporation's articles of incorporation and copies of all amendments as filed with the Secretary of State or appropriate provincial office (with filing date noted).
- n. Send to Fraternity Headquarters a copy of the facility corporation's bylaws and copies of all amendments by April 1 of each year.
- o. Send to Fraternity Headquarters one (1) copy of the facility corporation's IRS Letter of Tax Exempt Status.
- p. Submit state/province filings, as may be required from time to time, on a timely basis.
- q. Perform such duties as may from time to time be required of her by the board of directors and any additional duties incumbent upon such office.

Section 10. The treasurer shall:

- a. Collect facility fees and rental payments on each due date.
- b. Keep a current record of all facility fee payments, as collected by and received from the college Chapter vice-president finance.

- c. Present at each annual meeting of the members of the facility corporation a Fiscal Responsibility Policy to be followed during the following year, upon approval by a majority of the members of the Facility Corporation Board.
- d. Present at each annual meeting of the members of the facility corporation the financial report for the preceding fiscal year and the proposed facility corporation budget for the following year upon approval by a majority of the members of the Facility Corporation Board.
- e. Send to the appropriate Fraternity Facility Consultant one copy of the proposed facility corporation budget for the following year, at least 30 days prior to the fiscal year end for approval.
- f. Send to Fraternity Headquarters one (1) copy of the facility corporation's financial statements each year, using either a copy of the sample form in the Facility Corporation Board Manual or a format of your own, which includes at the very MINIMUM the same information requested on the Fraternity Headquarters format.
- g. Send to Fraternity Headquarters a compilation audit every year or anytime there is a Treasurer change.
- h. Prepare and file on a timely basis such tax or financial returns or reports annually as required by the Internal Revenue Service, the State or province Department of Revenue, the State or province Securities Commission, or any other governmental agency and send a copy to Fraternity Headquarters.
- i. Send to Fraternity Headquarters one copy of any special report as requested by Fraternity Headquarters and/or by the Fraternity Housing Corporation President.
- j. Perform such duties as may from time to time be required of her by the board of directors and any additional duties incumbent upon such office.

Section 11. The facility corporation officers are covered through the International Fraternity Insurance Program.

#### ARTICLE IV. CORPORATION COMMITTEES

The president shall appoint the following facility corporation committees, as needed, which shall report to and act with the approval of the board of directors: board/officer nominating; building; finance; grounds; facility furnishings; maintenance; fundraising; and special gifts. The college chapter shall have representation on all committees. The chairman of each facility corporation committee shall be a member of the board of directors. The financial advisor of the advisory board shall be a member of the facility corporation's finance committee.

## ARTICLE V. CORPORATION MEETINGS

- Section 1. The annual meeting of the members of the facility corporation shall be held at the location of the chapter house of Beta Sigma during the spring semester. It shall be the duty of the secretary, or in the case of her absence or refusal to act, the vice-president's duty to give notice of the annual meeting.
- Section 2. Special meetings of the members of the facility corporation may be called by the president or the written request of two or more members of the facility corporation or members of Grand Council, as ex-officio members of the facility corporation. Notification shall be as in Sections 1 and 4 of this Article V.
- Section 3. Except as otherwise restricted by the articles of incorporation or these bylaws and for annual meetings, members and any committee of members of the corporation may participate in a meeting by conference telephone or similar communications equipment provided that all persons participating in the meeting can hear each other at the same time. Participation by that method constitutes presence in person at a meeting
- Section 4. Notice, in the form of a record, in a tangible medium, or in an electronic transmission, stating the place, day, and hour of the annual meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, by or at the direction of the president, or the secretary, or the officers or persons calling the meeting, to each member entitled to vote at such meeting. Notice of regular meetings other than the annual meeting shall be made by providing each member with the adopted schedule of regular meetings for the ensuing year at any time after the annual meeting and ten (10) days prior to the next succeeding regular meeting and at any time when requested by a member or by such other notice as may be prescribed by these bylaws.
- Section 5. At each annual meeting and each special meeting of the facility corporation, 6 (please specify quorum number) members present shall constitute a quorum and shall be authorized to elect directors and to transact any other business of the facility corporation properly to be transacted by the members thereof at any annual meeting or special meeting.
- Section 6. In addition to voting in person at an annual meeting or a special meeting of the members of the facility corporation, action taken by a mail or telephone (voice or facsimile) or electronic (e-mail) ballot of the members of the facility corporation in which at least two-thirds (2/3) of the members, in writing, including facsimile or e-mail indicate themselves in agreement, shall constitute a valid action of the members of the facility corporation and shall be reported in the minutes of the next annual meeting or special meeting of the members of the facility corporation.

#### ARTICLE VI. ACTIONS REQUIRING APPROVAL

- Section 1. The facility corporation shall obtain the prior written approval of the Fraternity Executive Director and the Fraternity Housing Corporation President for the following actions:
- a. For the building or remodeling or improvement of any chapter facility.
  - b. For the proposed method of financing such a building, remodeling or improvement project.
  - c. Before purchasing, selling, or conveying any real or personal property.
  - d. Before refinancing any indebtedness incurred by the facility corporation.
  - e. Borrowing money for any reason.
  - f. Before signing of property leases.
- Section 2. The facility corporation shall obtain written approval of the Fraternity Housing Corporation President before any communication soliciting financial assistance is sent to alumnae.

#### ARTICLE VII. FINANCIAL MANAGEMENT

- Section 1. The financial affairs of the facility corporation shall be managed and conducted in accordance with such rules and standards as the Fraternity Grand Council shall periodically establish. In the event that the Fraternity Grand Council determines that the facility corporation has failed to conduct its activities pursuant to such rules and standards, the Fraternity Grand Council may require that some or all of the facility corporation's assets be subject to a management contract with or transferred to the Fraternity or such entity as designated by the Fraternity Grand Council for the purposes of managing those assets for the benefit of the facility corporation's members as outlined in Kappa Alpha Theta Fraternity Bylaws.
- Section 2. The facility corporation shall maintain reserve minimums in accordance with Kappa Alpha Theta Fraternity guidelines.

#### ARTICLE VIII. DISCIPLINE

Facility corporation directors, officers and/or members who fail to observe the requirements of these bylaws or the policies and procedures established by the Fraternity Grand Council for the management of chapter facility corporations shall be subject to discipline as alumnae members of the Fraternity as outlined in the Kappa Alpha Theta Fraternity Bylaws.

#### ARTICLE IX. INDEMNIFICATION

The facility corporation shall, to the maximum extent permitted by the laws of the State of Texas, indemnify any person who is or was a party or is threatened to be made a party to any threatened, pending or completed proceeding, by reason of the fact that such person is or was a director, officer, employee or agent of the facility corporation, against all expenses, judgments, penalties and amounts paid in settlement. Expenses incurred in defending any proceeding may be advanced by the facility corporation prior to final disposition upon receipt of an undertaking to repay such amount if it is ultimately determined that such person is not entitled to be indemnified. The indemnification provided by this Article IX shall not be exclusive of any other rights to which any person seeking indemnification may be entitled, and the facility corporation may purchase and maintain insurance or provide similar protection for or on behalf of any person who is or was a director, officer, employee or agent of the facility corporation.

#### ARTICLE X. BYLAW AMENDMENT

These bylaws may be amended at any annual meeting of the members of the facility corporation or at any special meeting of said members called for that purpose by a two-thirds (2/3) vote of those present provided that no provisions shall be adopted that are (a) in conflict with or inconsistent with the articles of incorporation of the facility corporation or (b) in violation of the Fraternity Constitution and/or the Fraternity Bylaws. The Facility Corporation Board shall bring its bylaws into conformity with Fraternity laws annually by April 1 of each year. An amendment shall not become effective until approved by the Fraternity Facility Consultant or the Housing Document Specialist.

#### ARTICLE XI. PARLIAMENTARY PROCEDURE

Parliamentary procedure shall be in accordance with the then current edition of Robert's Rules of Order.

#### ARTICLE XII. DISESTABLISHMENT OF CHAPTER

In the event of the disestablishment of the college chapter for the benefit of which the facility corporation was formed, the procedures outlined in Section 15(A) of Article IV of the Kappa Alpha Theta Fraternity Bylaws shall be followed. In the event of the disposal of corporate assets in any manner other than prescribed in Kappa Alpha Theta Fraternity's Bylaws, the officers of the facility corporation and members of the facility corporation's board of directors voting for and effecting such unauthorized disposition of corporate assets shall automatically forfeit membership in Kappa Alpha Theta Fraternity.